

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 86th General Assembly  
3 Regular Session, 2007  
4

As Engrossed: H3/23/07

# A Bill

HOUSE BILL 1259

5 By: Representative Harris  
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## For An Act To Be Entitled

8  
9 AN ACT CONCERNING THE PURCHASE OF UNIVERSAL LIFE  
10 INSURANCE CONTRACTS BY THE ARKANSAS TEACHER  
11 RETIREMENT SYSTEM; AND FOR OTHER PURPOSES.  
12

## Subtitle

13  
14 AN ACT CONCERNING THE PURCHASE OF  
15 UNIVERSAL LIFE INSURANCE CONTRACTS BY  
16 THE ARKANSAS TEACHER RETIREMENT SYSTEM.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code Title 24, Chapter 7, Subchapter 4 is amended  
22 to add an additional section to read as follows:

23 24-7-412. Use of assets to purchase universal life insurance policies.

24 (a) The Board of Trustees of the Arkansas Teacher Retirement System  
25 may use fixed assets to purchase universal life insurance contracts for each  
26 member of the system.

27 (b) Upon the death of a member covered by a universal life insurance  
28 contract:

29 (1) The system shall receive the cash value of the contract and  
30 the portion of the death benefit that is payable to the system; and

31 (2) The member's beneficiary shall receive the remaining death  
32 benefit.

33 (c) The purchase of universal life insurance shall not be conducted in  
34 a manner that affects the retirement benefits of a vested member of the  
35 system.  
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*/s/ Harris*